

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA ex rel.
THOMAS J. MILLER, 99AG25112
ATTORNEY GENERAL OF IOWA

Plaintiff,

v.

MARK D. SCHNEIDEWIND AND
NATIONWIDE CONSTRUCTION, INC.

Defendants.

EQUITY NO. CE

PETITION

FILED
POLK COUNTY, IA.
16 APR 11 PM 1:14
IOWA DISTRICT COURT

COMES NOW the State of Iowa ex rel. Attorney General of Iowa, Thomas J. Miller, by Assistant Attorney General Benjamin E. Bellus, pursuant to the provisions of Iowa Code § 714.16 (2011), commonly referred to as the Iowa Consumer Fraud Act, and for its claim against Defendants Mark D. Schneidewind and Nationwide Construction, Inc., states as follows:

PARTIES

1. Plaintiff is the State of Iowa, ex rel. Attorney General Thomas J. Miller, the duly elected Attorney General of Iowa. The Attorney General of Iowa is expressly authorized pursuant to Iowa Code § 714.16(7) to file a civil action against any person who has engaged in a practice declared to be unlawful under Iowa Code § 714.16.

2. Defendant Mark D. Schneidewind is an owner, president, operator, managing agent and registered agent of a home repair and contractor business incorporated in Nebraska under the name of "NationWide Construction, Inc." Defendant Schneidewind does business in several states, including Nebraska and Iowa. At the time relevant to this action, his primary business offices were located in Omaha Nebraska at 242 North 114th Street, 1616 N. 203 Street, 561 S. 126th Street, 1618 N. 203 Street and 1620 N. 203 Street. Defendant Schneidewind is

named in his individual capacity as well as his past or present corporate capacities.

3. Defendant Schneidewind formulated, directed, controlled, was a primary participant in, and had, or should have had, knowledge of the acts and practices of NationWide Construction, Inc., constituting the violations of Iowa law as alleged herein and, at all times relevant hereto, was an officer, director, owner, and/or agent of NationWide Construction, Inc.

4. Defendant NationWide Construction, Inc. ("NationWide") is a home repair and contractor business incorporated in Nebraska which does business in both Nebraska and Iowa. At all times relevant to this action, the primary business offices of NationWide were located were located in Omaha, Nebraska at 242 North 114th Street, 1616 N. 203 Street and 561 S. 126th Street.

5. The phrase "home repairs or contractor services," as used herein, includes any work on any residential dwelling or other structure; and any work on other things commonly found on residential real property including, but not limited to, garages, basements, interiors, roofs, porches, driveways, sidewalks, patios and fences.

VENUE

6. Venue is proper in Polk County, Iowa.

JURISDICTION

7. The Iowa Consumer Fraud Act, Iowa Code § 714.16 (2)(a) (2011) ("the Consumer Fraud Act") provides in pertinent part:

The act, use or employment by a person of an unfair practice, deception, fraud, false pretense, false promise, or misrepresentation, or the concealment, suppression or omission of a material fact with intent that others rely upon the concealment, suppression, or omission, in connection with the lease, sale, or advertisement of any merchandise or the solicitation of contributions for charitable purposes, whether or not a person has in fact been misled, deceived, or damaged, is an unlawful practice.

8. Iowa Code § 714.16(1) provides the following definitions:

(f) "Deception" means an act or practice which has the tendency or capacity to mislead a substantial number of consumers as to a material fact or facts.

(n) "Unfair practice" means an act or practice which causes substantial, unavoidable injury to consumers that is not outweighed by any consumer or competitive benefits which the practice produces.

9. Iowa Code § 714.16 (7) provides, in pertinent part:

Except in an action for the concealment, suppression, or omission of a material fact with intent that others rely upon it, it is not necessary in an action for reimbursement or an injunction, to allege or to prove reliance, damages, intent to deceive, or that the person who engaged in an unlawful act had knowledge of the falsity of the claim or ignorance of the truth.

10. In describing remedies under the Consumer Fraud Act, Iowa Code § 714.16(7)

provides in pertinent part as follows:

If it appears to the attorney general that a person has engaged in, is engaging in, or is about to engage in a practice declared to be unlawful by this section, the attorney general may seek and obtain in an action in a district court a temporary restraining order, preliminary injunction, or permanent injunction prohibiting the person from continuing the practice or engaging in the practice or doing an act in furtherance of the practice. The court may make orders or judgments as necessary to prevent the use or employment by a person of any prohibited practices, or which are necessary to restore to any person in interest any moneys ... which have been acquired by means of a practice declared to be unlawful by this section ...

In addition to the remedies otherwise provided for in this subsection, the attorney general may request and the court may impose a civil penalty not to exceed forty thousand dollars per violation against a person found by the court to have engaged in a method, act, or practice declared unlawful under this section; provided, however, a course of conduct shall not be considered to be separate and different violations merely because the conduct is repeated to more than one person. In addition, on the motion of the attorney general or its own motion, the court may impose a civil penalty of not more than five thousand dollars for each day of intentional violation of a ... permanent injunction issued under authority of this section.

11. Iowa Code § 555A.6(2), of the Iowa Door-To-Door Sales Act, provides in pertinent part:

A violation of this chapter (Iowa Code chapter 555A) is a violation of section 714.16, subsection 2, paragraph "a".

FACTUAL ALLEGATIONS

12. NationWide is Nebraska corporation that was issued a Certificate of Authority to do business in Iowa by the Iowa Secretary of State as of August 21, 2008; however the Certificate of Authority was revoked by the Iowa Secretary of State on August 6, 2010.

13. While Defendants do business in both Nebraska and Iowa, among other states, neither Mark Schneidewind nor NationWide were registered with Iowa Labor Commissioner (Iowa Workforce Development Division) as a "Contractor", as required pursuant to Iowa Code Chapter 91C (Iowa Construction Contractors).

Consumer Complaints

14. On September 8, 2008, consumer Michael Montgomery of Council Bluffs, Iowa, filed a formal complaint with the State alleging that Defendants signed a contract to provide home repairs or contractor services and accepted payment from him; but then failed to provide either services or materials under the contract.

15. On May 20, 2009, consumer Debbie Ashley of Council Bluffs, Iowa, filed a formal complaint with the State alleging that Defendants signed a contract home to provide home repairs or contractor services and accepted payment; but then provided substandard services.

16. Norman S. Blackburn:

a. On or about April 9, 2009, an agent of the Defendants signed a contract entitled "Storm Restoration Agreement" in which the Defendants agreed to repair storm damage to the residence of 84-year-old Norman S. Blackburn of Council Bluffs, Iowa.

b. The contract between the Defendants and Blackburn was signed at Blackburn's house, a place other than the Defendants' place of business. (Exhibit 1)

c. Within the contract, Defendants agreed to provide all labor and materials necessary to remove and replace Blackburn's damaged roof and gutters, as well as repair his damaged garage door.

d. During the sales presentation to Blackburn, the Defendants' sales agent represented that NationWide was a member of the Nebraska Better Business Bureau, when in fact NationWide was not a member of the Better Business Bureau.¹

e. The preprinted sales contract used by the Defendants in their sale to Blackburn did not state in 10 point boldface type on the front of the contract that Blackburn had the right to cancel the contract within three business days from the date of signing, as required by Iowa Code § 555A.2.

f. At the time of sale, the Defendants' sales agent did not provide Blackburn with a separate "Notice of Cancellation" drafted in the form and content required by Iowa Code § 555A.3.

g. At the time of the sale, the Defendants' sales agent did not provide Blackburn with two copies of the "Notice of Cancellation" which included the date by which Blackburn had to give the notice of cancellation to the Defendants, as required by Iowa Code § 555A.4(1).

h. On or about April 18, 2009, the Defendants accepted a payment of \$7,179.87 from Blackburn's insurance carrier as full consideration for performance pursuant to the contract signed between Defendants and Blackburn.

i. Defendants subsequently failed to provide any services or materials under the contract despite the fact that Blackburn made repeated contacts with them in an effort to get his residence repaired, and despite the fact that Defendant Schneidewind repeatedly assured Blackburn that the contract would be performed.

j. On or about April 23, 2009, Blackburn informed the Defendants that he was cancelling the contract and requested a full refund of the down payment, but he was refused a refund by Defendant Schneidewind.

k. As of this date, Defendants have not performed any home repairs or contractor services on the Blackburn property, nor have they provided any materials for the repair of the Blackburn property.

l. As of this date, Defendants have failed to acknowledge the cancellation of the contract or to return the \$7,179.87 down payment to Blackburn.

m. The failure of the Defendants to make repairs under the contract, or to refund the down payment, has resulted in additional damage to the Blackburn property as well as increased utility costs and other expenses incurred by Blackburn over the last two years.

¹ In fact, neither of the Defendants were registered with the Nebraska Better Business Bureau who had received 42 consumer complaints against the Defendants and had rated NationWide as an "F" as of January 5, 2011.

The State's Investigation

17. On August 12, 2009, Blackburn filed a formal complaint with the Consumer Protection Division of the Attorney General's office requesting the State's assistance in obtaining the Defendants' performance on his contract.

18. On October 29, 2009, the State faxed and mailed the Blackburn complaint to the Defendants for comment.

19. On October 30, 2009, Defendant Schneidewind replied in writing and admitted that a contract had been signed between the Defendants and Blackburn, that the Defendants had been paid \$7,179.87 under the contract, and that the Defendants had performed no work nor delivered any materials under the contract.

20. On January 5, 2010, Blackburn again informed Defendants that he had cancelled the contract by delivering a written notice of cancellation to Defendants through the State.

21. Between December 2, 2009, and April 7, 2010, the State made repeated efforts to informally investigate the business conduct of the Defendants and resolve Mr. Blackburn's complaint; but only met with resistance from the Defendants in the form of either avoiding communications or making multiple misrepresentations when discussions actually occurred.²

22. On May 27, 2010, the State initiated a formal investigation into the business practices of Defendants by serving an investigative subpoena on Defendants in which Defendant Schneidewind was summoned to appear at the office of the Consumer Protection Division of the Attorney General's office on June 9, 2010, to provide relevant testimony and documents

² At one point, Defendant Schneidewind even asserted that Blackburn's insurance carrier gave him two years to perform on the contract when, in fact, the insurance carrier financially penalized Blackburn because the contract was not fully performed by June 27, 2010.

23. Despite subsequent communications between Defendant Schneidewind and the State in which Schneidewind confirmed that he has received the subpoena, Defendant Schneidewind failed to appear as required on June 9, 2010.

24. On January 11, 2011, the State filed an *Application For Order Enforcing Attorney General Subpoena*, pursuant to Iowa Code § 714.16(6).³

25. The Court set hearing on the State's *Application* to provide Defendants with the opportunity to defend their failure to comply with the Attorney General's subpoena, but Defendants failed to appear before the Court as ordered and noticed.

26. On June 14, 2011, the Court issued an *Order Granting State's Application For Order Enforcing Attorney General Subpoena* and granted the relief requested by the State, including but not limited to, injunctive relief stating:

IT IS HEREBY ORDERED that, pursuant to Iowa Code § 714.16(6), Defendants Mark Schneidewind and Nationwide Construction, Inc. ... and their partners, officers, employees, agents, successors, contractors, and all other persons, corporations and other entities acting in concert or participating with the Defendants, who have actual or constructive notice of this Order are enjoined and prohibited from selling, promoting or advertising for sale any merchandise or services in the State of Iowa or collecting or accepting any payments from Iowans or Iowa businesses until such time as Defendants have demonstrated to the Court that they have fully complied with the Attorney General's subpoena.

27. As of this date, neither Defendant has complied with the Attorney General's subpoena and both Defendants are still barred from doing business in Iowa pursuant to the *Order Granting State's Application For Order Enforcing Attorney General Subpoena*.

28. Defendants subsequently began doing business under alternate business names such as "Midwest Restorations, Inc." and "Dollhouse Inc."; both directly and through their agents.

³ *State v. Nationwide Construction, Inc. and Mark Schneidewind*, Polk County CE 67602.

29. On August 8, 2011, Defendants entered into a contract entitled "Storm Restoration Agreement" with Kristine McGurk of Council Bluffs, Iowa. (Exhibit 2)

30. On October 19, 2011, Defendants attempted to obtain building permits from the city of Council Bluffs, Iowa, under the names of Midwest Restorations, Inc. and Dollhouse Inc.

31. Defendants were barred from doing business in Iowa at the time that Defendants contracted with McGurk and sought building permits in Iowa under alternate names.

32. On information and belief, Defendants have on numerous occasions engaged in practices similar to those alleged in paragraphs 12 through 16, above, regarding the sales of home repairs or contractor services to other consumers.

33. On information and belief, Defendants have on numerous occasions engaged in practices similar to those alleged in paragraphs 26 through 31, above, regarding the violation of the injunction provisions contained in the *Order Granting State's Application For Order Enforcing Attorney General Subpoena*.

34. It is in the public interest that permanent injunctive relief be issued herein to protect the people of the State of Iowa from any further losses from any similar conduct by the Defendants in Iowa in the future.

35. The State's petition for injunctive relief has not been presented to, or denied by, any other judge of the district court.

CAUSES OF ACTION

Count I

Violations of Iowa Door-To-Door Sales Act - Iowa Code chapter 555A

36. The State incorporates by this reference all allegations set forth in Paragraphs 14 through 20.

37. The Defendants violated Iowa Code chapter 555A, in a manner including, but not limited to, selling merchandise at a place other than the Defendants' place of business and:

- a. failing to disclose the consumers' right to cancel in 10 point boldface type on the front of the contract or receipt, as required by Iowa Code § 555A.2;
- b. failing to provide the consumer with a "Notice of Cancellation" drafted in the required form and content required by Iowa Code § 555A.3;
- c. failing to furnish to consumer two copies of the notice of cancellation which included the date by which the consumers must give the notice of cancellation to the Defendants, as required by Iowa Code § 555A.4(1); and
- d. failing to honor a valid notice of cancellation by consumers and within ten business days after the receipt of notice refund all payments made under the contract or sale. Iowa Code § 555A.4(5).

Count II

Violations of Iowa Consumer Fraud Act - Iowa Code § 714.16

38. The State incorporates by this reference all allegations set forth in Paragraphs 14 through 21.

39. Pursuant to Iowa Code § 555A.6(2), each of Defendants' violations listed in Count I constitute a violation of Iowa Code § 714.16(2)(a).

40. Defendants acted, used or employed deception, fraud, false pretense, false promise, misrepresentation and/or concealment, suppression, or omission of material facts with the intent that consumers rely on the concealment, suppression or omissions, in violation of Iowa Code § 714.16(2)(a), in a manner including, but not limited to:

- a. representing to consumers that Defendants would begin home repairs or contractor services within a promised time period, without a reasonable basis for such representations;
- b. representing to consumers that Defendants would complete home repairs or contractor services within a promised time period, without a reasonable basis for such representations;

- c. representing to consumers that Defendants would complete home repair or contractor services in a specific manner and then failing to provide said services to the agreed specifications;
- d. representing to consumers that Defendants were members in good standing with the Better Business Bureau when in fact neither Defendant was a member of the BBB, and in fact, Defendant NationWide had an "F" rating with 42 consumer complaints;
- e. representing to consumers that Defendants could provide home repair or contractor services in Iowa when Defendants were legally prohibited from providing such services because they were not properly registered with Iowa Workforce Development;
- f. representing to consumers that Defendants could provide home repair or contractor services in Iowa when Defendants were prohibited from providing such services pursuant to a court order;
- g. contracting with consumers to provide home repair and contractor services, and then failing to provide labor, materials or reimbursement of the consumers' down payment;
- h. accepting payment as a down payment for the provision of home repair and contractor services and then failing to provide labor or materials, and then failing to reimburse consumers for their down payment; and
- i. refusing to respond to consumer inquiries, or responding to consumer inquiries in a manner that delayed, or otherwise prevented, consumers from limiting their loss.

41. Defendants engaged in unfair practices in violation of Iowa Code § 714.16(2)(a), in a manner including, but not limited to:

- a. contracting with consumers to provide home repair and contractor services, and then failing to provide labor, materials or reimbursement of the consumers' down payment;
- b. accepting payment as a down payment for the provision of home repair and contractor services and then failing to provide labor or materials, and then failing to reimburse consumers for their down payment; and
- c. refusing to respond to consumer inquiries, or responding to consumer inquiries in a manner that delayed, or otherwise prevented, consumers from limiting their loss.

Count III

Violation of Court Order Issued Pursuant to the Iowa Consumer Fraud Act - Iowa Code §§ 714.16(6) and 714.16(7)

42. The State incorporates by this reference all allegations set forth in Paragraphs 26 through 33.

43. Defendants intentionally violated the *Order Granting State's Application For Order Enforcing Attorney General Subpoena* in a manner including, but not limited to, failing to comply with the State's investigative subpoena and yet:

- a. selling, promoting or advertising for sale any merchandise or services in the State of Iowa; and
- b. collecting or accepting payments for home repairs or contractor services from Iowans or Iowa businesses.

REQUEST FOR RELIEF

44. The State respectfully requests that the Court order joint and several relief against Defendants Mark D. Schneidewind and Nationwide Construction, Inc., as follows:

A. That the Court, pursuant to Iowa Code § 714.16(7), permanently enjoin Defendants from:

1. selling goods or services "door to door" within the meaning of the Iowa Door to Door Sales Act, unless Defendants comply in all respects with the requirements of Iowa Code chapter 555A;
2. accepting or requesting advance payment of any type from Iowa consumers before fully completing home repairs or contractor services as contracted;
3. applying any funds received from consumers to any use other than that directly attributable to their contract or project;
4. misrepresenting to consumers the time period in which Defendants will begin home repairs or contractor services;
5. misrepresenting to consumers the time period in which Defendants will complete home repairs or contractor services;
6. failing to complete home repairs or contractor services within a reasonable time;
7. failing to perform home repair or contractor services in a workmanlike manner;

8. failing to respond to a consumer's complaint in a prompt, timely, truthful and informative manner when requested to do so in connection with a consumer complaint or inquiry; and

9. employing any manner of unfair practice, deception, fraud, false pretense, false promise, misrepresentation; or concealment, suppression or omission of a material fact in connection with the lease, sale or advertisement of any merchandise or service; including but not limited to, representing that Defendants have any affiliation, association, registration, certification, licensing, training or other qualification(s) when Defendants do not possess those qualifications.

B. That the Court order Defendants to restore any money to consumers whom the Court deems to be entitled to restitution as a result of Defendants' unlawful acts or practices, pursuant to Iowa Code § 714.16(7).

C. That the Court order Defendants to pay civil penalties to the State in an amount not to exceed \$40,000.00 per each separate violation of the Consumer Fraud Act, pursuant to Iowa Code § 714.16(7) .

D. That the Court order Defendants to pay a civil penalty to the State in an amount not to exceed \$5,000.00 per each day that they were in violation of the *Order Granting State's Application For Order Enforcing Attorney General Subpoena*, pursuant to Iowa Code § 714.16(7).

E. That the Court order Defendants to pay the State's costs including, but not limited to, reasonable attorney fees, court costs and investigative costs incurred in this action, pursuant to Iowa Code § 714.16(11).

F. That the Court award the State interest as permitted by law.

G. That the Court grant any further relief as the Court deems just and equitable.

Respectfully submitted,

THOMAS J. MILLER
Attorney General of Iowa



BENJAMIN E. BELLUS AT0000688

Assistant Attorney General

Consumer Protection Division

1305 East Walnut Street, Second Floor

Des Moines, IA 50319

Telephone: (515) 281-5926

Facsimile: (515) 281-6771

E-Mail: Benjamin.Bellus@iowa.gov

ATTORNEYS FOR THE STATE

NationWide

CONSTRUCTION, INC.

1616 N. 203rd Street • Elkhorn, Nebraska 68022 • Telephone: 877-763-4948 • Fax: 866-512-0335

STORM RESTORATION AGREEMENT

Agreement Date: 4/9/09
Homeowner(s) Name: Ray Blackburn Dave
Property Address: [REDACTED]
City: Elkhorn, NE State: NE Zip Code: 68022
Home Phone: [REDACTED] Work: [REDACTED] Cell: [REDACTED]
Insurance Company: [REDACTED] Insurance Contact: [REDACTED]
Policy Number: [REDACTED] Claim Number: [REDACTED]

The Owner(s) (if more than one, Owners shall be referred to collectively as "Owner" hereinafter) listed above hereby jointly and severally agree to hire Nationwide Construction, Inc., a Nebraska corporation (hereinafter referred to as "Nationwide"), to contact Owner's insurance company and work with the insurance company to obtain work scope approval relative to the materials and services to be supplied to and installed at Owner's property (stated above) by Nationwide as follows.

Section A. Scope of Work Authorized by Owner for Nationwide to Perform:

for full of this owner
[REDACTED]
[REDACTED]
Owner understands that part of the work and services that Nationwide will be providing under this Agreement will include (but not be limited to) developing (with Owner) the scope of work to be performed, administratively opening a file regarding Owner's property, measuring Owner's roof, communicating with Owner's insurance company, meeting with insurance company representative(s) when necessary, and otherwise utilizing Nationwide's expertise and reputation to obtain work scope approval from Owner's insurance company within per price perimeters acceptable to Owner's insurance company and Nationwide, in addition to supplying the materials and services to Owner's property relative to the scope of work approved. Any changes or deletions to the work scope must be approved in writing by both Owner and Nationwide. Pricing will be set by Owner's insurance company and Nationwide, and the approved work scope and pricing information shall be supplied to Owner. This Agreement is contingent upon the issuance of work scope approval by Owner's insurance company, which shall include price perimeters acceptable to said insurance company and Nationwide.

If Owner's insurance company denies insurance claims for the work to be performed under this Agreement or refuses to issue a work scope approval for the described work, then this Agreement will become null and void, and neither the Owner nor Nationwide will have any further duties, obligations or liability under this Agreement to each other. _____ initial _____ / _____ / _____ date

Owner hereby authorizes Owner's insurance company to directly provide the work scope approval to Nationwide and further authorizes Owner's insurance company _____ to pay Nationwide directly for any and all materials and work supplied to the property. The amount owed under this Agreement will be determined according to the price perimeters agreed upon by Nationwide and Owner's insurance company, for the scope of work authorized by Owner. Owner certifies that she/he owns the real property at the street address noted above.
_____ initial _____ / _____ / _____ date

PAYMENT TERMS:* Owner hereby agrees that when work scope approval has been issued in writing by Owner's insurance company, Nationwide has earned and is entitled to Fifty percent (50%) of the total price approved by the insurance company for the scope of work to be performed and such is due and payable at that time. This 50% is non-refundable and shall be due and payable to Nationwide for the work it that engaged in, prior to work scope approval being issued by Owner's insurance company. Nationwide shall be paid in full upon final completion of the approved work scope. Owner agrees to sign a "completion certificate" upon completion of the installation of the materials. If Owner's insurance company has failed to pay Nationwide directly, Owner agrees to deliver the insurance check and/or pay in cash the cost of the materials and services which the insurance company agreed to pay.

*Payment terms on jobs over 50,000 will be modified as specified above.

This is a legally binding contract, and Owner acknowledges that she/he has read the front and reverse of this Agreement and has received a completed, signed and dated copy of this Agreement, including the Notice of Cancellation set forth on the reverse side of this Agreement (which Nationwide also discussed verbally with Owner).

NATIONWIDE CONSTRUCTION, INC.

By Andrew Peterson
Field Representative
Printed Name Andrew Peterson

OWNER
Signature [REDACTED]
Printed Name Andrew Peterson



Midwest Restorations, Inc.

Complete Interior & Exterior Renovation

1620 N. 203rd St. • Elkhorn, NE 68022 • 402.991.0339 • www.midwestrestorations.com

STORM RESTORATION AGREEMENT

Agreement Date: _____
Homeowner(s) Name: Kristine McGurk
Property Address: _____
City: Omaha, NE State: NE Zip Code: 68104
Home Phone: _____ Work: _____
Insurance Company: State Farm Insurance Contact: Mary Stavas
Policy Number: _____ Claim Number: _____

The Owner(s) (if more than one, Owners shall be referred to collectively as "Owner" hereinafter) listed above hereby jointly and severally agree to hire Midwest Restorations, Inc., a Nebraska corporation, to contact Owner's insurance company and work with the insurance company to obtain work scope approval relative to the materials and services to be supplied to and installed at Owner's property (stated above) by Midwest Restorations, Inc. as follows.

Section A. Scope of Work Authorized by Owner for Midwest Restorations, Inc. to Perform:

Price Per Ins. Fee First Inspection

Owner understands that part of the work and services that Midwest Restorations, Inc. will be providing under this Agreement will include (but not be limited to) developing (with Owner) the scope of work to be performed, administratively opening a file regarding Owner's property, measuring Owner's roof, communicating with Owner's insurance company, meeting with insurance company representative(s) when necessary, and otherwise utilizing Midwest Restorations, Inc.'s expertise and reputation to obtain work scope approval from Owner's insurance company within per price perimeters acceptable to Owner's insurance company and Midwest Restorations, Inc., in addition to supplying the materials and services to Owner's property relative to the scope of work approved. Pricing will be set by Owner's insurance company and Midwest Restorations, Inc., and the approved work scope and pricing information shall be supplied to Owner. This Agreement is contingent upon the issuance of work scope approval by Owner's insurance company, which shall include price perimeters acceptable to said insurance company and Midwest Restorations, Inc.

If Owner's insurance company denies insurance claims for the work to be performed under this Agreement or refuses to issue a work scope approval for the described work, then this Agreement will become null and void, and neither the Owner nor Midwest Restorations, Inc. will have any further duties, obligations or liability under this Agreement to each other. _____ initial _____/_____/_____ date

Owner hereby authorizes Owner's insurance company to directly provide the work scope approval to Midwest Restorations, Inc. The amount owed under this Agreement will be determined according to the price perimeters agreed upon by Midwest Restorations, Inc. and Owner's insurance company, for the scope of work authorized by Owner. Owner certifies that she/he owns the real property at the street address noted above. _____ initial _____/_____/_____ date

PAYMENT TERMS: * Owner hereby agrees that when work scope approval has been issued in writing by Owner's insurance company, Midwest Restorations, Inc. has earned and is entitled to Fifty percent (50%) of the total price approved by the insurance company for the scope of work to be performed and such is due and payable at that time. This 50% is non-refundable and shall be due and payable to Midwest Restorations, Inc. for the work it that engaged in, prior to work scope approval being issued by Owner's insurance company. Midwest Restorations, Inc. shall be paid in full upon final completion of the approved work scope. Owner agrees to sign a "completion certificate" upon completion of the installation of the materials. If Owner's insurance company has failed to pay Midwest Restorations, Inc. directly, Owner agrees to deliver the insurance check and/or pay in cash the cost of the materials and services which the insurance company agreed to pay.

*Payment terms on jobs over 50,000 will be modified as specified above.

This is a legally binding contract, and Owner acknowledges that she/he has read this Agreement and has received a completed, signed and dated copy of this Agreement.

MIDWEST RESTORATIONS, INC.

By [Signature]
Field Representative
Printed Name 402-661-0294

OWNER
Signature [Signature]
Printed Name _____
Signature _____
Printed Name _____